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FILED
DISTRICT COURT OF GUAM

OCT 20 2006 *hba*

MARY L.M. MORAN
CLERK OF COURT

DISTRICT COURT OF GUAM
TERRITORY OF GUAM

TCW SPECIAL CREDITS, et al.,
Plaintiffs,

v.

F/V CHLOE Z, et al.,
Defendants.

VJEKO MAZIC,
Plaintiff-in-Intervention,

v.

M/V CHLOE Z, et al.,
Defendants.

Civil Case No. 96-00055

TCW SPECIAL CREDITS'
RESPONSE TO ORDER;
CERTIFICATE OF SERVICE

In response to the Court's Order of October 11, 2006, mortgagee TCW Special Credits ("TCW") submits the following status report.

1 1. TCW held a senior ship mortgage on the vessel CHLOE Z. All of the
2 money in the Clerk's registry is proceeds from the US Marshal's sale of the vessel,
3 and those proceeds are encumbered by TCW's mortgage lien.

4 2. TCW's lien and money judgment are fully adjudicated by virtue of the
5 Order Granting Plaintiff's Motion for Summary Judgment, Etc., entered February
6 19, 2002, and the corresponding Partial Judgment, entered February 20, 2002.
7 (No appeal was taken from that Order or Judgment.) As of February 19, 2002,
8 TCW's money judgment, secured by its lien, was in the amount of \$19,687,849.54.
9 Order ¶5.

10 3. All disbursements received by TCW since the inception of this case
11 have been specifically authorized by Court Order. TCW's Judgment also was
12 secured by proceeds of the vessel KASSANDRA Z, which was the subject of a
13 foreclosure action in the High Court of American Samoa, TCW Special Credits v.
14 KASSANDRA Z, et al., High Court of American Samoa Trial Division, No. 96-92,
15 and TCW has received disbursements from the vessel sale proceeds in that
16 action. As of May 2005, all available proceeds from the KASSANDRA Z action
17 were disbursed, and that action was then final and completed.

18 4. There is now outstanding on the TCW money judgment an unpaid
19 deficiency of more than \$8,000,000.00.

20 5. TCW recognizes the senior status of the lien securing the *in rem* (but
21 not the *in personam*) Judgments of Pranjin and Matos.

22 6. TCW did not actively participate in the litigation between CHLOE Z
23 and Pranjin and Matos. TCW is not in a position to comment on the correct
calculation of the amount of the final judgment to entered on remand.

1 7. Based on information supplied by the Clerk of the Court on
2 September 20, 2006, the following are the current amounts in the registry of the
3 Clerk:


4 (a) On deposit at the Bank of Guam, as of July 26, 2006, a CD
5 with a balance of \$1,180,775.22.

6 (b) On deposit at the Bank of Hawaii, as of September 14, 2006,
7 a CD with a balance of \$531,214.47.

8 Respectfully submitted this 20th day of October, 2006.

9 **Attorneys for TCW Special Credits**

10 **MAHER YANZA FLYNN TIMBLIN, LLP**

11 By 
12 JOHN B. MAHER

13 Craig Miller
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CERTIFICATE OF SERVICE

I, John B. Maher, hereby certify that on October 20, 2006, I caused the annexed **TCW Special Credit's Response to Order** to be served on the parties hereto, via First Class U.S. Mail, to:

Dwight F. Ritter
LAW OFFICES OF DWIGHT F. RITTER
170 Laurel Street
San Diego, California 92101

William Dougherty
DOUGHERTY, HILDRE DUDEK & HAKLAR
2550 Fifth Avenue, Suite 600
San Diego, California 92103-6624

Michael A. Barcott
HOLMES WEDDLE & BARCOTT
999 Third Avenue, Suite 2600
Seattle, Washington 98104

and via personal service, by delivering and leaving copies of same with:

George M. Butler
BUTLER & TELFORD BUTLER
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137 Murray Street
Hagatna, Guam 96910

Anita P. Arriola
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259 Martyr Street
Hagatna, Guam 96910

Dated this 20th day of October, 2006.

MAHER • YANZA • FLYNN • TIMBLIN, LLP
Attorneys for Plaintiff
TCW Special Credits

BY:



JOHN B. MAHER